



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

March 3, 2015

Paula J. Jacquez
Eastern Utah Community Credit Union
675 East 100 North
Price, Utah 84501

Subject: Authorization for Partial Release of Reclamation Surety, Certificate of Deposit 39203-70, GoldTerra, Inc., Blue Castle Mine, S/015/0077, Emery County, Utah

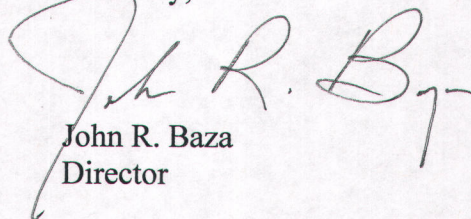
Dear Ms. Jacquez:

Eastern Utah Community Credit Union is presently holding Certificate of Deposit #39203-70 for the benefit of the State of Utah, Division of Oil, Gas and Mining, and the U. S. Department of the Interior, Bureau of Land Management, as a form of reclamation surety for the Blue Castle mine operated by GoldTerra, Inc. This letter authorizes a reduction of the face value of the certificate of deposit to no less than \$2000.00.

When this transaction has been completed, please supply the Division with an amended Certificate of Deposit showing the new amount.

Please contact Dana Dean at 801-538-5320, or Paul Baker at 801-538-5261 if you have questions or concerns. Thank you for your help in this matter.

Sincerely,



John R. Baza
Director

JRB:whw:pb

cc: Dan Sheppard, GoldTerra
Chris Conrad, Price BLM (cconrad@blm.gov)

P:\GROUPS\MINERALS\WP\M015-Emery\S0150077-BlueCastle\Final\CDRel-6422-03022015.doc





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District, Price Field Office

125 South 600 West

Price, UT 84501

<http://www.blm.gov/ut/st/en/fo/price.html>



FEB 09 2015

IN REPLY REFER TO:

3809

(GO2100)

UTU- 87376

S/015/0077

RECEIVED

FEB 13 2015

DIV. OF OIL, GAS & MINING

Wayne Western
Utah Division of Oil, Gas, and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Bond Release for Goldterra's Blue Castle Mine; T16S, R14E, Sec 29; S/015/0077

Dear Mr. Western:

A site inspection and file review was conducted on January 19, 2015 for the Goldterra Blue Castle Mine located at T16S, R14E, Section 9, Emery County, Utah. The inspection revealed that the land disturbance associated with the exploration activity has been adequately reclaimed. The majority of the disturbance area was situated on barren Mancos Shale Formation badlands topography and does not require reseeding. The approximately 10-foot wide and 1,000 -foot long access road was also reclaimed; it was sufficiently roughed up to encourage re-vegetation from locally derived seeds. The Price Bureau of Land Management recommends that the entire bond (\$12,000) be refunded to Goldterra as reclamation is now considered complete. This action officially closes project UTU-87376, also known as: S/015/0077.

If you have any questions or comments please contact Chris Conrad at (435) 636-3612.

Sincerely,

Ahmed Mohsen
Field Manager

CC: Opie Abeyta: BLMSO

Application for Bond Release

S0150077
Task ID# 6422
COWAYNE



Operator/Permittee: GOLDTERRA, INC.	
Mine/Project Name: BLUE CASTLE MINE	Permit ID#: S150077
	Permitted Acres: 1.0
Reason for Bond Release: Site Reclaimed.	
Amount of Existing Surety: \$12,000	
Amount of Surety requested for release: \$10,000 (or Maximum Allowed)	
Partial Release of a <u>portion</u> * of the mine site: Acres Regraded: Specify Area:	Partial Release of <u>entire</u> mine site: (Backfilling and grading are completed) Acres: 1.0
Full Release of a <u>portion</u> * of the mine site: Acres to be released: Specify Area:	Full Release of <u>entire</u> mine site: (Vegetation is established and has survived three growing seasons.) Acres to be released:
*For a bond release on a portion of the mine site, submit an updated map removing the released area from the disturbed or bonded area.	



Application for Bond Release

Reclamation practices must be completed in accordance with R647-2-109, or R647-3-109, or R647-4-111 as applicable.

Have any shafts and tunnels been permanently sealed?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
Disposal of debris & other materials incident to mining	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Public safety notifications such as posted signs or fences/barriers above highwalls	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
Drainages, reestablished & stable	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Structures demolished and deleterious materials disposed of	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Erosion Controlled	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Slopes, waste piles, fills regraded	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Highwalls stabilized to an angle of 45° or less	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
Meets Postmining Land Use (Indicate Land use) Wildlife Habitat	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Roads and/or pads have been reclaimed	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Dams, Impoundments, Ditches, Pits reclaimed	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Topsoil redistributed – amendments added	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Vegetation meets 70% of the pre-mining cover? <i>Note: For Final Bond Release vegetation must meets 70% of premining cover and has survived three years for or has survived one year growing season to maintain small mine status.</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Plugging of boreholes If Answer is Yes, please fill out page 3 of this form	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
DESCRIPTION of RECLAMATION ACTIVITIES COMPLETED (Describe any variance(s) that have been granted, date activity completed) 1-Disturbed area has been regraded. 2-Access road has been removed and scarified. 3-Reclaimed area has been reseeded with approved seed mix. 4-All trash has been removed. 5-Completed as of 12/23/14.	

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.

Sign Name/Position

January 19, 2015
Date

Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Phone: (801) 538-5291

-3



RECEIVED

JAN 23 2015

DIV. OF OIL, GAS & MINING

January 19, 2015

Mr. Paul Baker
Environmental Manager
Minerals Regulatory Program
Utah Division of Oil, Gas & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Application for Bond Release
GoldTerra, Inc.
Blue Castle Mine
S150077

Dear Mr. Baker:

Enclosed is an application for bond release for the above referenced Blue Castle Mine, Permit ID S150077. GoldTerra, Inc. completed reclamation of this mine site, including seeding, in December 2014. It is my understanding that Mr. Wayne Western has seen the site after the reclamation was completed.

If you have any questions, or need additional information, please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Sheppard". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.

Daniel Sheppard
President & CEO

Cc: Ahmed Mohsen, BLM
Dan Guy

P.O. Box 783
Price, UT 84501

Office: 831-455-9888

Fax: 831-455-9007



Gary R. Herbert
Governor
MICHAEL R. STYLER
Executive Director
JOHN R. BAZA
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

GOLDTERRA, INC
4088 E AIRPORT RD
PO BOX 783
PRICE UT 84501

RECEIVED

JAN 23 2015

DIV. OF OIL, GAS & MINING

ATTENTION: DANIEL SHEPPARD

ANNUAL PERMIT FEE

Annual Permit Fees for Jan 2015 thru Dec. 2015

SITE NAME	PERMIT ID	ACRES	BILLING DATE
BLUE CASTLE	S150077	NA	01/20/2015
PERMIT TYPE	PERMIT STATUS	ANNUAL FEE	
SMALL MINING OPERATION < 5 ACRES	ACTIVE	\$ 150	

DUE DATE	AMOUNT DUE
01/31/2015	\$ 150

Please retain this portion for your records. For billing information call (801) 538-5291

This portion **MUST** be returned with your payment to ensure proper credit. **THANK YOU**

ACCOUNT BILLED	PROJECT NAME	PERMIT ID
GOLDTERRA, INC	BLUE CASTLE	S150077

DUE DATE	ANNUAL FEE	AMOUNT DUE
01/31/2015	\$ 150	\$ 150

<input type="checkbox"/> FEE ENCLOSED	<input checked="" type="checkbox"/> FEE NOT ENCLOSED*
Approval to mine or conduct exploration is automatically withdrawn if annual permit fees are not paid by the date due.	

DIVISION OF OIL GAS AND MINING
1594 WEST NORTH TEMPLE SUITE 1210
PO BOX 145801
SALT LAKE CITY UT 84114-5801

If reclamation is complete, please submit form MR-SITE to request either a full or partial release. The permit fee is not required if the entire site has been regraded and seeded; The Division will verify the reclamation work.

Forms and other permit-related information are available on the Web at <http://ogm.utah.gov/minerals> or you can call (801) 538-5291 for more information.

Please make check payable to:
Division of Oil, Gas and Mining



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Minerals Inspection Report

Reviewed _____

Report Date: **12/08/2014**

Mine Name: Blue Castle	Permit Number: S/015/0077	Mine Status: Active
Operator Name: Goldterra Inc.	Inspection Date: 12/08/2014	Permit Fees: Paid
Inspector(s): Wayne Western	Inspection Time: 9:40 - 10:00 am	Bond Amount: \$12,000
Attendee(s):	Weather: mild and clear	Bond Escalation: 03/20/2014
Inspection Purpose: Routine inspection		Prior Inspection: 10/30/2014

Conclusions and Recommendations

The purpose of the inspection was to determine if the site met the minimum requirements for bond release. The Operator has not formally requested bond release but did make know to the Division that the site would be reclaimed.

Elements of Inspection	Evaluated & Commented	Enforcement
1. Permits, Revisions, Transfer, Bonds The permit and bond are current	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls) There are no underground openings or highwalls at the site.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages/Erosion Control Erosion will be controlled by earthwork. Vegetation in the area is limited. Most of the erosion is controlled by surface shapes.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material None on site.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety) Road from the pavement to the site was reclaimed by pocking	<input checked="" type="checkbox"/>	<input type="checkbox"/>
6. Reclamation	<input type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts) The pit was backfilling and the surrounding area graded to blend into the surrounding area.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Soils Soils were not stockpiled prior to disturbance. Operator used materials on site.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
9. Revegetation Site will be seeded.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Other	<input type="checkbox"/>	<input type="checkbox"/>

Inspector's Signature: _____

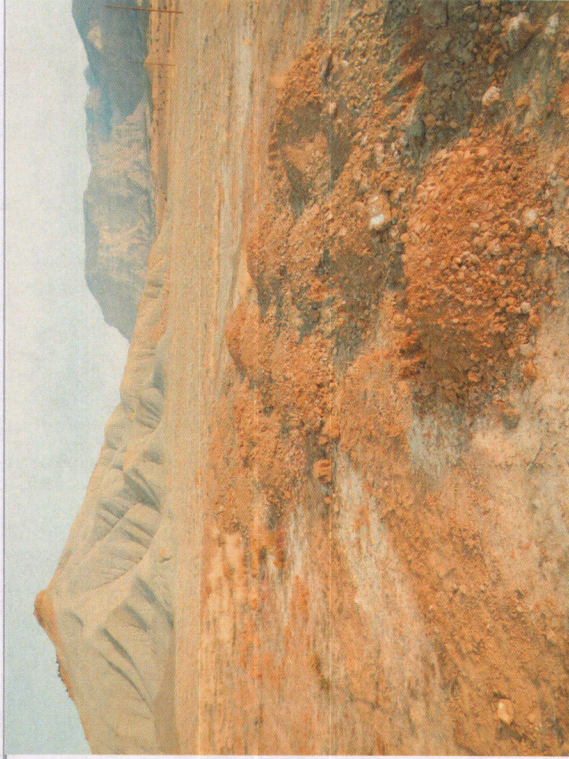
CC:

File: /nrwogmfs1/OGM/GROUPS/MINERALS/WP/M015-Emery/S0150077-BlueCastle/inspections/Insp12082014.pdf

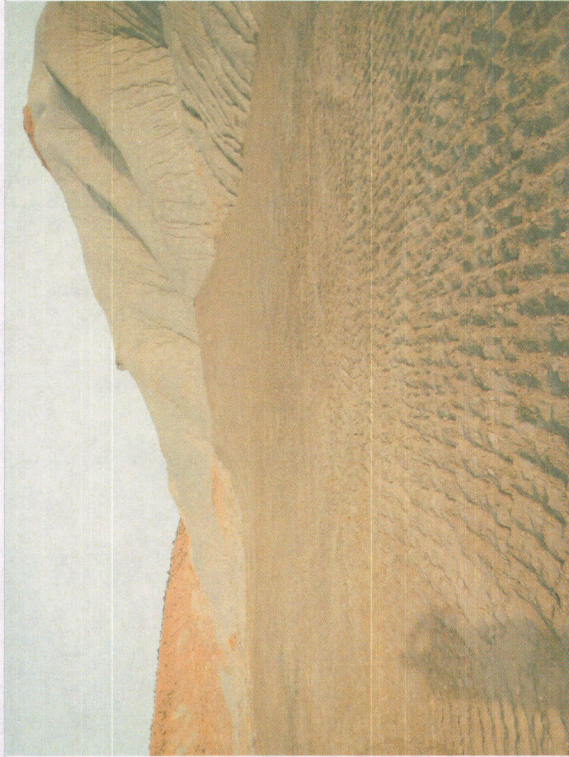




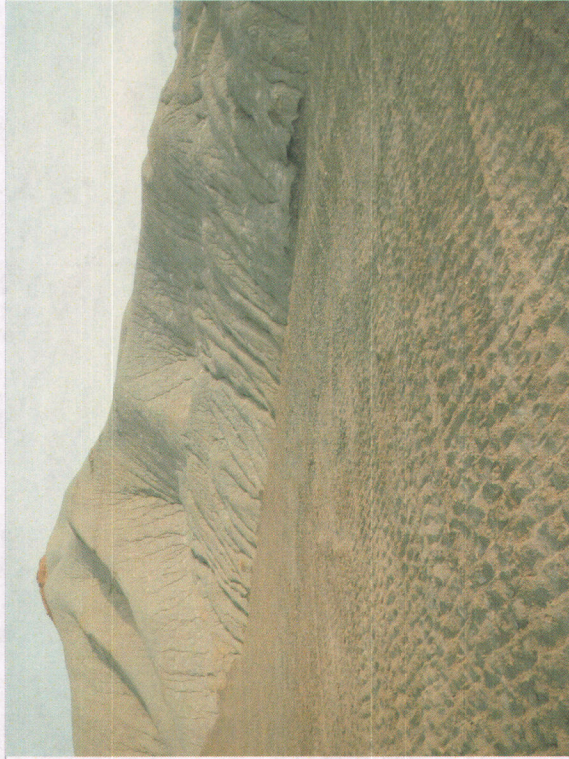
Access road to site was pocked. Looking west



Access road to site pocked. Looking north.



Looking north. Pit was backfilled and area blended into the surrounding area.



Looking northeast. Area was prepared for seeding by using track marks.

Received
2/24/2015



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

February 10, 2015

Eastern Utah Community Credit Union
675 East 100 North
Price, Utah 84501

Subject: Authorization for Partial Release of Reclamation Surety; Certificates of Deposit 39203-72 and 39203-71; GoldTerra, Inc.; Black Knight Mine, S/015/0078, and Black Butte Mine, S/015/0080; Emery County, Utah

Dear Sir or Madame:

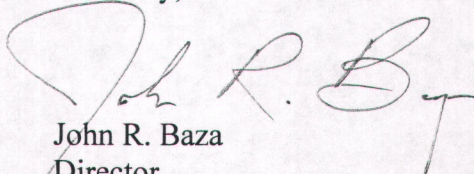
Eastern Utah Community Credit Union is presently holding Certificates of Deposit 39203-72 and 39203-71 for the benefit of the State of Utah, Division of Oil, Gas and Mining (Division), and the Utah School and Institutional Trust Lands Administration as a form of reclamation surety for GoldTerra, Inc.'s Black Knight and Black Butte mines.

This letter authorizes a reduction of the face value of each certificate of deposit to no less than \$2000. This is justified because the Division has verified that the majority of reclamation has been completed.

When this transaction has been completed, please supply the Division with amended Certificates of Deposit showing the new amounts.

Please contact Paul Baker at 801-538-5261 or Dana Dean at 801-538-5320 if you have questions or concerns about this action. Thank you for your assistance.

Sincerely,



John R. Baza
Director

JRB:whw:pb

cc: Dan Sheppard, GoldTerra

Jerry Mansfield, SITLA (jmansfield@utah.gov)

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